

# Low Fare Magic

The twenty-year success story of  
**Pacific Southwest Airlines**

Reprinted from Esso Air World — November/December 1969



One arrival, one between-flights and one departing—a Boeing 737-200 (background) and two 727-200s typify the PSA action pattern at Los Angeles as at other Californian airports. ▶

# Low Fare Magic



## The twenty-year success story of Pacific Southwest Airlines

**T**WENTY years ago a flying school in San Diego, California, with its flow of pupils drying up, turned itself into an airline, chartered a Douglas DC-3 and, on May 6, 1949, began a once-a-week round trip between San Diego and Oakland, with an intermediate stop at Hollywood/Burbank. The change of status proved to be both timely and profitable; the airline—Pacific Southwest—now ranks among the top ten in the United States and the top twenty in the world, judged on the number of passengers it carries. By an odd twist of fate, the airline has also resumed its former function and runs flying training courses for pilots.

The original school, Friedkin Aeronautics, was one of several which taught discharged US soldiers to fly under a national rehabilitation scheme. By early 1949 the supply of GIs was almost exhausted; the war had by then receded five years into history, and a new source of

pupils was extremely improbable. The days of the school were clearly numbered; conversion to an airline might stave off immediate catastrophe and, with an enthusiasm born of desperation but with little hope of success, Pacific Southwest Airlines was launched into the uncertain world of air transport.

More people seemed ready to fly on the San Diego-Oakland service than had appeared likely, and the leased DC-3 had to make 36 flights in its first 26 days of operation to carry them. In December, 1949, the airline made 120 flights, an average of almost four a day. By now hope stood side-by-side with enthusiasm and the company was beginning to enjoy the sweet smell of success.

Traffic grew steadily heavier, month by month, and in July, 1951, PSA started a new service—between San Diego and San Francisco. Subsequently, the route net-

Twenty years' progress—from PSA's first office to the present \$5.5 million San Diego headquarters facility of the Californian intra-State airline.



work was extended to include Los Angeles (August, 1958), San Jose (1966), Sacramento (1967) and Ontario (1968). The service to Oakland was discontinued in 1954 but resumed in 1965. All the points served lie within the state of California.

(Because PSA is an intra-State airline it comes under the jurisdiction of the Public Utilities Commission and not, as do US inter-State and overseas operators, under that of the Civil Aeronautics Board.)

The following figures give a broad indication of the pace at which Pacific Southwest's traffic grew between 1949 and 1968 :—

Year	Revenue Passengers	Increase over previous period
1949	15,011	—
1954	102,124	87,113
1959	355,099	252,975
1964	1,532,243	1,177,144
1968	3,997,524	2,465,281 (four years only)

When the total for 1969 is known it is likely to show yet another spectacular increase.

In its formative period, PSA had to exercise every practical economy, and most of the staff had to assume many functions. The first passenger handling facilities were located in a former Marine Corps outhouse measuring only twelve feet by six, which was made suitable for its new duty by the demolition of some partitions and the effective sealing of some drains. Passengers' baggage was weighed on bathroom scales hastily bought for the purpose. The outhouse remained in use for three years. The airline then moved into more spacious and dignified premises on the airport ; these were the company's headquarters for the next 17 years.

A few months ago PSA took possession of its new \$5 million combined office and hangar complex, built next to its old premises and giving 62,000 sq. ft. of hangar space.

Douglas DC-3s remained the airline's basic equipment for six years. The lease of the first expired in October, 1949 ; subsequently, PSA bought and sold other DC-3s, but never had more than four in service at any one time. The type was replaced, in November, 1955, by the DC-4, and four years later PSA joined the ranks of the turbine-engined airliner operators by acquiring Lockheed Electras—a fleet of six.

The introduction of the Electras was the signal for a steep rise in the number of passengers carried. The quiet, vibrationless turboprop engines, the " above the weather" flight path, and the higher speed, brought new standards of air travel to the PSA system, and the Electras sold their own seats. They remained in service for nine years. PSA then went into the jet age with a fleet of five Boeing 727s, which set an even higher standard of comfort and cut travel time still more. That was in 1965. A year later the airline added two more, in 1967 two more, and in 1968 a DC-9-30. In 1968 it also bought its first Boeing 737. Today, its fleet consists of 14 Boeing 727-200s and nine 737-200s. These jet airliners represented a total investment of some \$110 million, but the airline had no difficulty in raising the money to buy them.

PSA runs its own airframe and engine maintenance and overhaul services and imposes on itself standards above the common level. For example, each engine is



▲ PSA President, J. Floyd Andrews, right, in discussion with Controller George Shortley, left, and Vice-President of Finance, Paul Barkley.



▲ When PSA was a flying school, Eleanor Glithero was its Link Trainer instructor. Now she is the airline's treasurer and is seen here, with F. E. Westcott, Vice-President of Operations, reviewing new schedules.



▲ PSA's Los Angeles terminal flight indicator shows that if you miss one flight, there'll be another along soon.

worked on or examined by no fewer than 75 mechanics, engineers and inspectors, and is subjected to a searching test run on a ground rig before being returned for another spell of duty in an airframe. During the overhaul process each part is minutely scrutinised for cracks, and as many as three different detection systems are used in the inspection cycle. For in-line maintenance, PSA always has qualified engineers on duty at Los Angeles, Burbank and Sacramento, as well as at San Diego, site of the main maintenance base.

This exacting procedure, the airline claims, contributes in no small degree to its excellent safety record ; throughout its 20 years on the airways of California, PSA has had no passenger fatality nor has any passenger been injured. Airlines from many parts of the world, impressed by PSA's enviable record, have sent representatives to San Diego to study at first hand the methods and procedures it has established.

PSA has always made use of publicity in the pursuit of business and now spends around \$2 million a year on advertising and other conventional publicity media. It also indulges in occasional " stunts " and promotional schemes of an unusual kind, such as presenting novel gifts to the holders of " Lucky Seat " numbers. Sometimes the captain will order free drinks all round, or the stewardess will open a case of champagne and share it among the passengers. On Good Friday the airline carried its 1,000,000th 1969 passenger ; his reward was a huge stuffed Easter Bunny which he solemnly sat in an adjoining seat, with its seat belt fastened, and flew with it from Hollywood/Burbank to San Francisco.

When PSA started flying in 1949 it had a payroll listing only 22 names. To-day it has more than 2,000 employees. Of these 97 are captains, 133 are other flight deck crew members, and some 400 are stewardesses. More than half the total employees work at the San Diego headquarters.

The company's return to its former role of flying school followed its inability to find facilities for the conversion of its pilots from propeller aircraft to jets. Faced with a damaging delay it quickly set up the necessary machinery and equipment and has since trained not only its own pilots but also those of 20 other airlines, U.S. and foreign. To-day, the flying training division's activities cover the instruction of beginners on single- and twin-engined light aircraft, training to commercial pilot standards and conversion courses on Boeing 727 and 737 and Douglas DC-9 jetliners. With the flying instruction go associated theoretical and ground courses. Training periods vary from two to eight months depending on the nature of the course, and students live in their



▲ One of Pacific Southwest's stewardesses collects tickets aboard the aircraft before departure, an innovation which saves time for passengers and staff.



▲ PSA's millionth 1969 passenger was presented with this Easter Bunny on Good Friday by Dewayne Blankenship, District Sales Manager, left, and Ken Hodges, Hollywood/Burbank Station Manager.



◀ Replacing DC-4s in 1959, six 98-passenger Lockheed Electras helped promote the remarkable growth of PSA before they were phased out in 1968, giving way to the present all-jet fleet.



◀ Smaller sisters of the Boeing 727s, PSA's nine 737-200s each include three lounge areas among their 112 seats.



▲ Three of the men who see that the PSA fleet is worked hard but safely—Executive V-P William Shimp, an ex-PSA captain, centre; Director of Maintenance Dave Burness, left, and Director of Flight Mike Bogle.



own dormitories to which are attached such amenities as a modern cafeteria and dining-room, gymnasium and swimming pool.

The school is the biggest of its kind on the US West Coast; its equipment includes Boeing 727 and 737 simulators, and the instructors are all PSA pilots who alternate between instructing and airline flying, thus keeping themselves familiar with the latest developments in airliners, in operating techniques and air transport regulations.

Moving with the times, PSA recently bought the 105-room Islandia Hotel, which stands at the water's edge in Mission Bay Park, San Diego, a spot of great scenic beauty. Improvements to the property which the airline is having made include the building of a 266-room tower (which will include a banqueting hall for 300 guests), the addition of another 196 slips to the existing 150 slips at the hotel's marina, the provision of a clubhouse, the modernisation of the marine fuelling service, and the construction of a garage for more than 400 automobiles. PSA has plans to run a hotel in every town in its air route network.

The break into the hotel business was not PSA's first venture into diversification. Last year, the airline acquired Valcar, an automobile hire company operating in California and Arizona. Car hire reservations can be made when the airline ticket is bought.

The flying school that became an airline was owned by Kenneth S. Friedkin, who was the airline's President until his death in 1962. Two other founder-members, William R. Shimp and J. Floyd Andrews, are still with the company, the former as Executive Vice-President and the latter as President, an office he has held since 1962.

Andrews was the airline's first pilot and the third employee to have his name placed on the payroll. No one disputes that he is the man to whom must go most of the credit for Pacific Southwest's spectacular success. He joined Friedkin's school as a flying instructor in April, 1947, after war service as a pilot, first with the Royal Air Force, then with the United States Army Air Forces. He continued to fly regularly as a PSA pilot for some years and then began to take an increasing burden of managerial responsibility.

Despite his heavy commitments as president of PSA, Andrews has many outside community and civic interests, and has promoted much charitable and philanthropic work, both as president of PSA and as a private citizen.

◀ PSA's FAA-approved engine overhaul shop maintains and overhauls JT8-D engines for PSA and other airlines. A complete test cell monitors each engine before it is returned to service.

The other officers of the company, besides those previously listed, are Robert J. Crandall, Vice-President, Subsidiary Operations/Administration, who joined PSA in December, 1948, F. E. Westcott, Vice-President Operations, Dwane M. Wittmayer, Vice-President Sales, Paul C. Barkley, Vice-President Finance, and Eleanor F. Glithero, Treasurer and Assistant Secretary. The Vice-President and Secretary is John W. McInnes.

Eleanor Glithero was PSA's first employee. She had formerly been with Friedkin Aeronautics as a Link Trainer instructor, having qualified as such during the war when serving with the WAVES, the women's branch of the US Navy. She later transferred from the Link Trainer to the administrative side of the flying school and virtually ran the office. She fulfilled the same role when the flying school became an airline and was appointed PSA's treasurer in 1954.

From the outset, Pacific Southwest Airlines has been a stalwart champion of low fares, and ascribes much of its success to its policy of keeping fares down to the lowest possible economic level. In 1949 the cost of a one-way ticket on the Los-Angeles-San Francisco route was \$25.00. When PSA, as an intra-State carrier, came on the scene, it was able to cut the fare to only \$9.99. Its creed is, and always has been : lower fares mean more passengers.

This philosophy has paid handsome dividends. PSA now carries more than 40 per cent. of the total airline passenger traffic between Los Angeles and San Francisco, the most heavily-travelled air route in the world and, as stated earlier, ranks among the top ten airlines in the United States for total passengers carried and among the top 20 airlines in the world in the same category. Further, it carries more passengers than any other airline out of the airports of San Diego, Oakland, Hollywood/Burbank and San Jose.

Its record of achievement gains added lustre when it is realized that never at any time has Pacific Southwest Airlines received a subsidy from either the State or the Federal Government, and no revenue from airmail contracts. With or without the added lustre, the record is one of which any airline must be proud.



▲ These Lufthansa student pilots are representative of those from several airlines who receive flying and ground instruction at PSA's Airline Training Centre near San Diego.



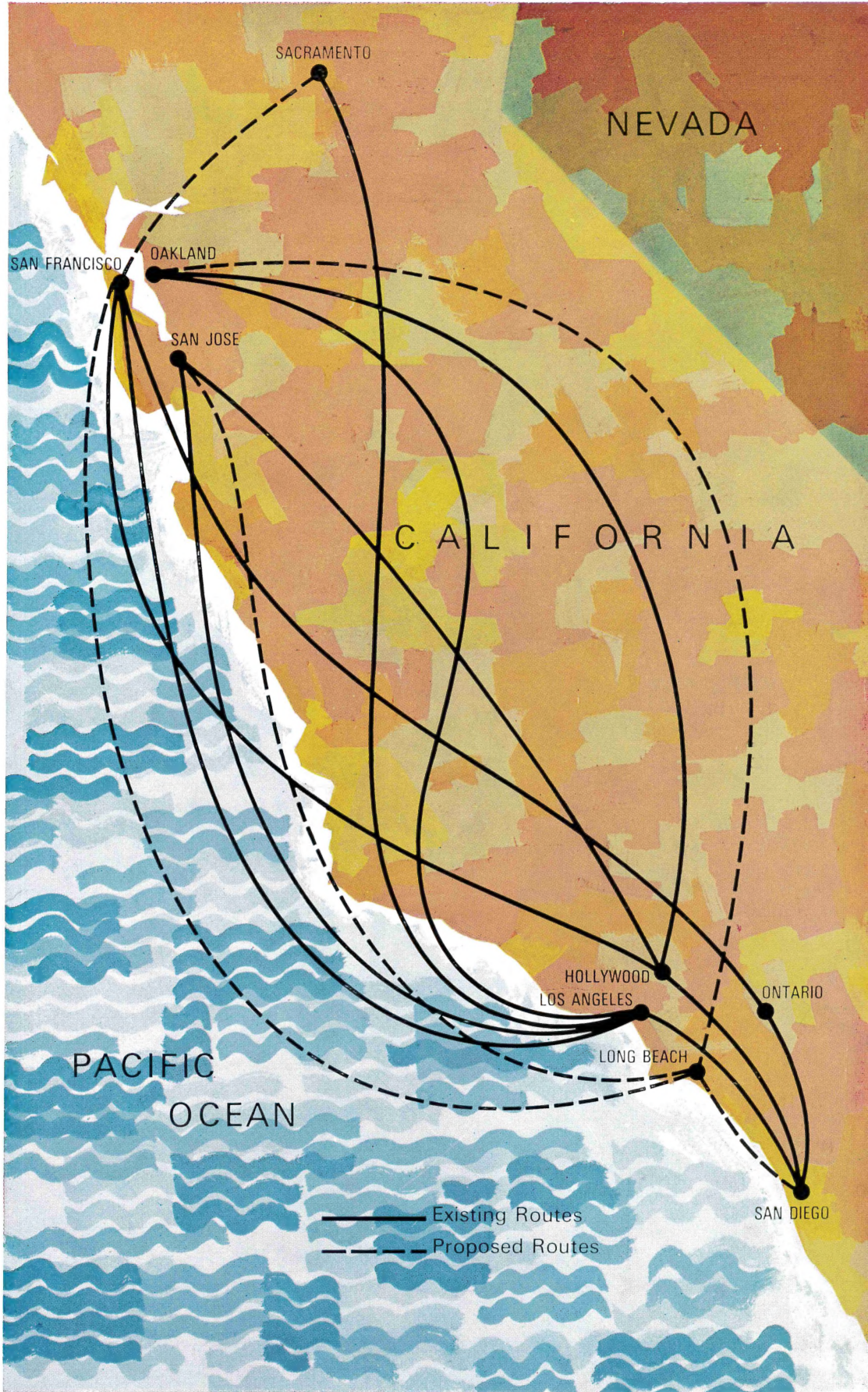
▲ Two of PSA's training aircraft at the company's Crownair flying school at Montgomery Field, near San Diego—a Brantly helicopter and a Piper Aztec.

Fourteen Boeing 727-200s helped PSA carry over four million passengers in 1969. The 158-passenger "stretched" trijet cruises at over 600 miles per hour, providing comfort and convenience to the passengers who take advantage of Pacific Southwest's low fares to commute between California's major cities. ▶



# PSA

## California's Intrastate Airline



**PACIFIC SOUTHWEST AIRLINES**

